

VZCZCXRO9607
PP RUEHFK RUEHKSO RUEHNAG RUEHNH
DE RUEHKO #2891/01 3512308
ZNR UUUUU ZZH
P 172308Z DEC 09
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC PRIORITY 8289
INFO RUEKJCS/SECDEF WASHDC PRIORITY
RHEHAAA/WHITE HOUSE WASHINGTON DC PRIORITY
RUEAWJA/USDOJ WASHDC PRIORITY
RULSDMK/USDOT WASHDC PRIORITY
RUCPDOG/USDOC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHDC//J5//
RHHMUNA/HQ USPACOM HONOLULU HI
RHHMHBA/COMPACFLT PEARL HARBOR HI
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//
RHMFIUU/USFJ //J5/JO21//
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA
RUAYJAA/CTF 72
RUEHNH/AMCONSUL NAHA 0332
RUEHFK/AMCONSUL FUKUOKA 7986
RUEHOK/AMCONSUL OSAKA KOBE 1798
RUEHNAG/AMCONSUL NAGOYA 5104
RUEHKSO/AMCONSUL SAPPORO 8487
RUEHBJ/AMEMBASSY BEIJING 2359
RUEHUL/AMEMBASSY SEOUL 9024
RUCNDT/USMISSION USUN NEW YORK 8455

UNCLAS SECTION 01 OF 06 TOKYO 002891

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;
SECDEF FOR JCS-J-5/JAPAN,
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 12/17/09

INDEX:

(1) Basic policy for FY2010 defense budget to include mention of
"deepening of Japan-U.S. security alliance" (Nikkei)

(2) Weight of Japan-U.S. alliance (Part 1): "Japan fatigue"
spreading among U.S. officials (Yomiuri)

(3) Rift in Japan-U.S. relations (Part 1): Prime Minister Hatoyama
must exercise leadership in regaining confidence (Yomiuri)

(4) Situation of Futenma relocation issue after 13 years of drifting
(Part 1): PM Hatoyama looks for relocation site other than Henoko;
SDP wary of solution based on current plan with minor modifications
(Mainichi)

ARTICLES:

(1) Basic policy for FY2010 defense budget to include mention of
"deepening of Japan-U.S. security alliance"

NIKKEI (Page 2) (Full)
Evening, December 17, 2009

The government decided its basic policy on the FY2010 defense budget at a cabinet meeting on Dec. 17. With regard to the Japan-U.S. alliance, this policy will include an explicit reference to "deepening security cooperation between Japan and the United States." It terms North Korea's nuclear and missile issues a "serious" problem and points out the need to reinforce missile defense capability. The deployment of ground-to-air Patriot missiles (PAC-3) will be limited and a request to increase the size of the Self-Defense Forces (SDF) will be turned down.

This basic policy is being formulated in light of the delay by one year in revising the National Defense Program Guidelines, originally scheduled for end of 2009, and is meant to be a provisional policy for defense buildup. While the policy says the government will "build up defense capability based on the concepts under the current Guidelines," it adopts the stance of reducing defense expenditures in response to the position of the Social Democratic Party, which is a member of the ruling coalition, and the results of the budget screening process of the Government Revitalization Unit.

In light of China's continuous military expansion, the policy points out that "military modernization and increasing military activities have been observed in the neighboring countries." On the other hand, it also calls for the SDF's active participation in UN peacekeeping operations (PKO) and other international contribution projects.

(2) Weight of Japan-U.S. alliance (Part 1): "Japan fatigue" spreading among U.S. officials

YOMIURI (Page 4) (Full)
December 16, 2009

The expression "Japan fatigue" has been quietly spreading among U.S. government officials recently. It signifies their desire to stay away from Japan as much as possible, because its prime minister lacks the ability to deal with issues due to domestic concerns such as maintaining the coalition government.

Following the Hatoyama administration's decision to return the issue

TOKYO 00002891 002 OF 006

of relocating the U.S. Marine Corps' Futenma Air Station to square one, a U.S. government source indicated his sense of fatigue on Dec. 14, saying: "I don't think I will feel like working on any new projects with Japan for a while." A series of responses by Prime Minister Yukio Hatoyama has caused Japan fatigue to grow rapidly among U.S. government officials. Japan's policy presence could weaken as a result.

A close aide to the prime minister emphasized: "The Futenma issue is not the sole pending issue between Japan and the U.S." But this issue as resulted in throwing Hatoyama's personal view of the U.S. into stark relief. In addition, two events that took place in December turned out to be the defining factors in the U.S. government's negative view toward the Hatoyama administration.

One event was a visit to Washington in early December by Japan Research Institute Chairman Jitsuro Terashima, who is said to be close to Hatoyama. During his visit, Terashima explained to experts on Japan the idea of significantly reducing the U.S. military bases in Japan and dispatching U.S. troops stationed in Guam and Hawaii to Japan only in times of emergency. The U.S. government interpreted this idea as being connected with Prime Minister's instructions to look for a new relocation site for the Futenma airfield. Concerned U.S. officials have also speculated that Hatoyama might begin to lay the groundwork to put his stock argument for a security arrangement without the permanent presence of U.S. forces into practice.

The other event was a visit to China by Democratic Party of Japan (DPJ) Secretary General Ichiro Ozawa accompanied by a delegation of about 140 DPJ lawmakers. Officials in charge of Asian affairs in Washington have made this analysis: "The visit might be part of the administration's moves to distance itself from the U.S. and to approach China."

U.S. officials expected the Hatoyama administration "to be aware of the necessity of the Japan-U.S. alliance in the future," as a Congress member said. But such expectations have been dashed completely.

A senior Foreign Ministry official predicts that "Japan-U.S. relations could become heartless in the future." Even if both sides are in disagreement over economic or diplomatic issues, there will be no problem as long as the bilateral alliance remains firm. But if measures to break the current impasse are not taken, the security

arrangement could be undermined.

Even within the DPJ, an increasing number of members are now apparently skeptical of the prime minister's stance toward the U.S. Upon hearing about the prime minister's decision to return the Futenma issue to square one, a mid-ranking DPJ lawmaker grumbled yesterday: "At a time when Japan must cooperate with the U.S. in dealing with such economic issues as the yen's appreciation and the global recession, if Japan continues to be at odds with the U.S., it will become impossible for the government to proceed smoothly, as was the case with the previous South Korean government of President Roh Moo Hyun."

(3) Rift in Japan-U.S. relations (Part 1): Prime Minister Hatoyama must exercise leadership in regaining confidence

YOMIURI (Page 1) (Full)
December 16, 2009

TOKYO 00002891 003 OF 006

Fumiaki Kubo, professor at the University of Tokyo

The Hatoyama administration has sent the relocation of the U.S. Marine Corps' Futenma Air Station back to square one. The Japan-U.S. relationship has now been strained more than ever. Next year will mark the 50th anniversary of the revision of the U.S.-Japan Security Treaty. However, it would be difficult for the two countries to celebrate the results of the treaty in an amicable atmosphere.

The U.S. Obama administration at first felt strong affinities with the Hatoyama government, because both have taken the reins of government, advocating the need for "change (reform)." However, the Obama administration has been confused by the Hatoyama cabinet's position of not adopting a realistic security policy. It would be possible for the two governments to cooperate on such issues as global environment and nuclear disarmament, but they have failed to build mutual trust, missing chances.

The Futenma issue is significant, but a more serious problem is probably that the Hatoyama administration's basic security policy has been unclear. Are there any security threats to Japan? In case threats do exist, will Japan deal with them by itself or will it ask the United States for cooperation? On this point, the Hatoyama administration has not clarified its position. Since it wavered back and forth in making a decision on the Futenma relocation issue, the United States has grown distrustful of it.

The Democratic Party of Japan (DPJ) did not include security policy in its manifesto (set of campaign pledges) for the August House of Representatives election campaign. The DPJ included in its manifesto its desire to forge an "equal" partnership with the U.S. However, the meaning of the Japan-U.S. equal partnership is not clear.

The rights and obligations of the bilateral security treaty are asymmetrical. Japan's obligation is to provide bases to the United States, and the U.S.'s obligation is to defend Japan. The United States also has the right to use Japan's bases for the peace and security of the Far East. Under these circumstances, it is difficult to define an "equal partnership" between Japan and the United States. For the U.S., an equal partnership would mean Japan's exercising the right to collective defense and boosting defense spending.

President Barack Obama might be considering Hatoyama as "untruthful." Even if the Hatoyama administration harbors expectations for U.S. foreign policy, the U.S. side may not give consideration to Japan. North Korea has called for excluding Japan from the framework of the Six-Party Talks. I wonder how long the United States will be able to continue to refuse the North's demand. I am concerned about the degree to which Washington pay heeds to Tokyo's emphasis on the abduction issue.

The Hatoyama government failed in its U.S. policy from the very start. It has given the impression of not cooperating with the United States. It is not easy to erase that image. However, it would

be a blow to the U.S. to lose Japan, which is the U.S.'s most important ally in Asia. Washington, therefore, proposed to shift part of the Futenma heliport facilities to a Ground Self-Defense Force range in Higashifuji, Shizuoka Prefecture.

The Prime Minister has not exercised leadership, just going with

TOKYO 00002891 004 OF 006

public opinion, without persuading or making a decision. He must make a decision, while considering the security of the all Japan.

With the relocation of the Futenma base returned to square one, the Japan-U.S. relationship has been strained. I would like to ask experts how Japan should deal with the issue and their thoughts on the historical meaning of the Hatoyama administration's decision to return the Futenma relocation to square one.

(4) Situation of Futenma relocation issue after 13 years of drifting (Part 1): PM Hatoyama looks for relocation site other than Henoko; SDP wary of solution based on current plan with minor modifications

MAINICHI (Pages 1, 3) (Full)
December 16, 2009

On Dec. 15, after the government decided to defer a conclusion on the relocation site for the U.S. forces' Futenma Air Station (in Ginowan City, Okinawa) to next year, Prime Minister Yukio Hatoyama told reporters at the Prime Minister's Official Residence (Kantei): "We will look for a location other than Henoko. We will create the conditions conducive for making a decision (on the relocation site) as much as possible." He indicated a strong intention to review the existing plan to relocate the Futenma base to the coastal area of Camp Schwab (in Henoko, Nago City).

While this can be interpreted as a concession to the Social Democratic Party (SDP), which advocates reviewing the Japan-U.S. agreement, Hatoyama also said, "We will need a few months' time for this process." The Ministerial Committee on Basic Policies meeting on Dec. 15 participated in by the party leaders failed to agree on setting May 2010 as the deadline for reaching a conclusion on the relocation site, but since Chief Cabinet Secretary Hirofumi Hirano has been given full authority over the details of the discussion process, May next year is regarded as the de facto deadline.

The SDP remains wary that "(the Democratic Party of Japan (DPJ)) may be thinking of settling this issue by relocation to Henoko after the deliberation process, even at the expense of dissolving the coalition."

Next May will be a critical juncture in domestic politics. The government and the ruling parties plan to submit the second FY09 supplementary budget bill and the FY10 budget bill to the next regular Diet session to be convened in January. There will be a House of Councillors election in summer, so the government would like to enact without fail the FY10 budget and the related bills, which will realize its showcase policies, such as the child allowance. This means that the DPJ, which does not control a majority in the Upper House, will only need the SDP's Upper House members until April. A senior SDP official is worried that "if a solution is decided based on the current relocation plan with minor modifications after Diet deliberations on the budget, we may be forced to bolt the coalition."

On the other hand, the U.S., which demands the early implementation of the U.S. Forces Japan (USFJ) realignment road map agreement, has reacted strongly. Hatoyama told reporters in the late afternoon of Dec. 15: "If you think of the importance of the Japan-U.S. agreement and the Okinawan people's fervent wishes, a quick decision right now is bound to fail." Hatoyama met with U.S. Ambassador to Japan John Roos at the Kantei that evening. It is believed that he explained

TOKYO 00002891 005 OF 006

that Japan is not procrastinating aimlessly and sought the U.S.'s understanding.

The Liberal Democratic Party (LDP) was critical, with Secretary General Tadamori Oshima remarking that "indecision runs counter to the national interest." Meanwhile, DPJ Secretary General Ichiro Ozawa gave a speech at a (closed door) party he held in Tokyo on the same day, and according to a participant in this party, he said: "The U.S. and Japan should have a relationship under which they can talk to each other frankly."

(Above sections by Keiichi Shirato, Takenori Noguchi; following sections by Shinichiro Nishida, Teruhisa Mimori)

On the afternoon of Dec. 15, Governor Hirokazu Nakaima was surrounded by reporters at the Okinawa Prefectural Government building. He said: "If the basic policy is not decided at an early date, the danger posed by the Futenma base cannot be removed. There is no way for me to comment unless I am presented with something close to a concrete proposal." He appeared to be distressed at the government's decision to defer the Futenma relocation issue.

Mayor Yoshikazu Shimabukuro, 63, of Nago City, who accepts the current plan to relocate Futenma to the coastal area of Camp Schwab on certain conditions, told reporters at the city hall: "The cabinet ministers all say different things. I ask the government to come up with a consensus at an early date."

While expectations are high in the local communities in light of the decision to reconsider the relocation site, with the current plan remaining one of the options, the citizens have been at the mercy of the government's vacillations. Incumbent Mayor Shimabukuro will be running against Susumu Inamine, 64, who is endorsed by the DPJ, the SDP, the Japanese Communist Party, and other groups favoring relocation out of Okinawa, in the Nago mayoral election taking place in a month (official declaration of candidacy on Jan.17; voting on Jan. 24). Acceptance of the Futenma facility will be the main issue.

Citizens of Nago often talk about the "Okada shock" these days. A meeting was held at a civic hall in Nago on Dec. 5. After members of the media were asked to leave, Foreign Minister Katsuya Okada gave the following answer to a question from the floor: "I understand how you feel, but the Japan-U.S. agreement cannot be changed so easily." Dead silence fell over the hall for a moment at Okada's surprising statement. Most members of the audience were supporters of DPJ House of Representatives members elected on a platform of opposing Futenma's relocation within Okinawa.

Many participants said: "Local citizens are divided (over the relocation issue) and it has been awful. We ask for early relocation out of Okinawa or out of Japan." Okada reiterated: "If you continue to oppose (the relocation plan), Futenma will remain where it is. The U.S. will no longer consent to the relocation of 8,000 Marines to Guam."

Chikako Toguchi, 48, who participated in the signature campaign for voting "no" in the referendum in 1997 on the construction of an offshore heliport to replace the Futenma airfield, stated with resolve after attending the Dec. 5 meeting: "We need to win the mayoral election and manifest the popular will in Nago once again."

TOKYO 00002891 006 OF 006

On the other hand, an official of the Inamine camp voiced this complaint: "If they continue to behave like this, citizens who have great expectations will be angered and exasperated, thinking 'what's wrong with the DPJ?' We thought we were at an advantage in this election, but it's going to be a tough battle." The situation surrounding the mayoral election is becoming increasingly complicated.

The Futenma issue started with the rape of an Okinawan school girl by U.S. Marines in September 1995. The Japanese and U.S. governments agreed on the return of the Futenma base in April 1996 on the condition of building a new heliport in Okinawa. The final report of the Japan-U.S. Special Action Committee on Okinawa (SACO) in December called for the construction of an offshore heliport "in

waters off the east coast of the main island of Okinawa."

A Kantei official who was involved in negotiations with the U.S. side on the relocation site relates: "We were unable to find a location in Japan that was willing to accept the 20,000 Marines in Okinawa. There was also no way we could relocate the USFJ's only combat units out of the country and create a vacuum in deterrence against China and North Korea."

Another meeting was held at the Nago civic hall on the evening of Dec. 10. Former Mayor Tetsuya Higa, who announced his resignation after making the decision to accept Futenma's relocation in exchange for economic development measures in December 1997, recalled the situation at that time and said: "We have not done enough. We need to continue our efforts next year." He appealed for support for Shimabukuro in the forthcoming mayoral race.

The fact that "economic development for northern Okinawa" is still used as a slogan in the election reflects the Hatoyama administration's continuing ambivalence even after the change of administration. The DPJ used to criticize the LDP-New Komeito administration's policy of "imposition of military bases in exchange for economic development measures" as a carrot-and-stick tactic.

The Inamine camp says: "We don't want any cabinet minister who does not clearly stand for relocation out of Okinawa to come," while the Shimabukuro camp says: "An early decision should be made on the relocation site." The citizens of Nago are sharply divided once again. Yet, what they do share in common is frustration with the government. They ask: "What was the past 13 years all about?"

ROOS